
STATUTORY INSTRUMENTS

2020 No. 1298

The Armed Forces Redundancy Scheme Order 2020

PART 4

Amendment of the Armed Forces Redundancy Scheme 2010

Amendment of the Armed Forces (Redundancy, Resettlement and Gratuity Earnings Schemes (No. 2) Order 2010

9. The Armed Forces (Redundancy, Resettlement and Gratuity Earnings Schemes) (No. 2) Order 2010(1) (“the AFRS 2010 Order”) is amended in accordance with articles 10 to 14.

Commencement Information

II [Art. 9](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 2 of the AFRS 2010 Order

- 10.** In article 2 (interpretation), in the appropriate place in alphabetical order, insert—
- ““flexible service” means one or both of the following types of service—
- (a) part-time service;
 - (b) restricted separation service,
- and references to a member serving on flexible terms must be construed accordingly;
- “part-time service” means—
- (a) for enlisted members, a period of service where the member is serving in accordance with an arrangement under section 329(2)(ha) of the Armed Forces Act 2006(2);
 - (b) for members who are officers, a period of service on equivalent terms of service;
- “restricted separation service” means—
- (a) for enlisted members, a period of service where the member is serving in accordance with an arrangement which does not restrict the member’s service in a particular area but does make it subject to other geographic restrictions provided for in regulations made under section 329(2)(i) of the Armed Forces Act 2006;
 - (b) for members who are officers, a period of service on equivalent terms of service;
- “service reduction percentage” has the meaning given by article 2A;”.

Commencement Information

I2 [Art. 10](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Insertion of new article 2A in the AFRS 2010 Order

11. After article 2 (interpretation) insert—

“Meaning of “service reduction percentage”

2A.—(1) In the Scheme, the “service reduction percentage” in respect of a period of flexible service is given by the formula, expressed as a percentage—

$$\frac{(A - B)}{A}$$

where—

A is the basic pay which the member would have received in respect of that period of flexible service had the person not been serving on flexible terms;

B is the basic pay received by the person in respect of that period of flexible service.

(2) For the purposes of the Scheme, a period of flexible service ends and another begins when any change in the service reduction percentage occurs.”.

Commencement Information

I3 [Art. 11](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 3 of the AFRS 2010 Order

12.—(1) Article 3 is re-numbered as paragraph (1) of article 3.

(2) After newly re-numbered paragraph (1), insert—

“(2) In the case of a person who has served on flexible terms during any period for which basic pay is to be calculated under paragraph (1), that person’s basic pay is to be calculated as though they had not served on flexible terms for that period.”.

Commencement Information

I4 [Art. 12](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 6 of the AFRS 2010 Order

13. In article 6(3) (redundancy reckonable service), after paragraph (4), insert—

“(4A) Where a person has served on flexible terms, the person’s relevant service for each period of such service, calculated for the purposes of paragraph (1), is reduced by the service reduction percentage applicable to that period of flexible service.”.

Commencement Information

I5 [Art. 13](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 9 of the AFRS 2010 Order

14. In article 9(4) (eligibility for redundancy payments)—

(a) in paragraph (4), for sub-paragraph (a) substitute—

“(a) has been notified by or on behalf of the Defence Council that their service is to be terminated and that they will be eligible for compensation under the AFRS 2010.”;

(b) for paragraph (5A), substitute—

“(5A) Condition E is that the person is not entitled to an ill-health pension under the AFPS 1975.”;

(c) for paragraph 6(b) substitute-

“(b) a person who is an active member of the Armed Forces Pension Scheme 2005 or the AFPS 2015, or who has opted to cease to be an active member of either of these pension schemes.”.

Commencement Information

I6 [Art. 14](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Armed Forces Redundancy Scheme Order 2020, PART 4.